## 2003 DRAFTING REQUEST

## Bill

Received: 01/26/2003					Received By: dkennedy			
Wanted:	As time perm	its		Identical to LRB:				
For: Adr	ninistration-B	udget 7-7980			By/Representing	: Blaine		
This file	may be shown	to any legislate	or: NO		Drafter: dkennedy			
May Cor	ntact:				Addl. Drafters:			
Subject:		- medical assis - miscellaneou			Extra Copies: RLR, PJK			
Submit v	ria email: YES							
Requeste	er's email:							
Carbon c	copy (CC:) to:							
Pre Top	ic:							
DOA:	Blaine - BB04	<b>1</b> 27,						
<b>Topic:</b>			· · · · · · · · · · · · · · · · · · ·			-		
Redirect	hospital assess	ment to MA; e	liminate Wis	sconcare and	grad med education	on to MA prov	iders	
Instruct	ions:	***************************************						
See Attac	ched							
Drafting	g History:		*					
Vers.	<u>Drafted</u>	Reviewed	Typed	Proofed	Submitted	Jacketed	Required	
/?							S&L	
/1	dkennedy 01/26/2003	jdyer 01/27/2003	rschluet 01/28/200	3	sbasford 01/28/2003		S&L	
/2	dkennedy 02/06/2003	kfollett 02/06/2003	chaskett 02/06/200	93	mbarman 02/07/2003		S&L	

02/14/2003 08:40:35 AM Page 2

Vers.	<u>Drafted</u>	Reviewed	Typed	Proofed	Submitted	<u>Jacketed</u>	Required
/3	dkennedy 02/13/2003	jdyer 02/14/2003	rschluet 02/14/200	3	mbarman 02/14/2003		

FE Sent For:

<END>

## 2003 DRAFTING REQUEST

## Bill

Received: 01/26/2003  Wanted: As time permits					Received By: dkennedy				
					Identical to LRB:				
For: Adm	ninistration-B	udget 7-7980			By/Representing: Blaine				
This file	may be shown	to any legislato	r: <b>NO</b>		Drafter: dkenned	ly			
May Con	tact:				Addl. Drafters:				
Subject:	Subject: Health - medical assistance Health - miscellaneous				Extra Copies:	RLR, PJI	<b>X</b>		
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DOA:	.Blaine - BB0	427,							
Topic:							<del> </del>		
Redirect	hospital assess	sment to MA; el	iminate Wis	sconcare and	grad med education	on to MA prov	iders		
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Vers.	<u>Drafted</u>	Reviewed	Typed	Proofed	Submitted	<u>Jacketed</u>	Required		
/?							S&L		
/1	dkennedy 01/26/2003	jdyer 01/27/2003	rschluet 01/28/200	)3	sbasford 01/28/2003		S&L		
/2	dkennedy 02/06/2003	kfollett 02/06/2003 3 %4 7.4	chaskett 02/06/200		mbarman 02/07/2003				

02/07/2003 08:08:12 AM Page 2

<u>Vers.</u> <u>Drafted</u> <u>Reviewed</u> <u>Typed</u> <u>Proofed</u> <u>Submitted</u> <u>Jacketed</u> <u>Required</u>

FE Sent For:

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# 2003 DRAFTING REQUEST

## Bill

Received: 01/26/2003					Received By: dkennedy				
Wanted:	As time perm	its			Identical to LRB:				
For: Adn	ninistration-B	Sudget 7-7980			By/Representing: Blaine				
This file may be shown to any legislator: NO					Drafter: dkennedy				
May Contact:					Addl. Drafters:				
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DOA:	.Blaine - BB0	427,		•					
Topic:				1110					
Redirect 1	hospital assess	sment to MA; el	liminate Wis	sconcare and	grad med education	on to MA prov	iders		
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<u>Vers.</u> /?	<u>Drafted</u>	Reviewed	Typed	Proofed CPh/16	Submitted	<u>Jacketed</u>	Required S&L		
/1	dkennedy 01/26/2003	jdyer 01/27/2003 /2 // 1/ 1	rschluet 01/28/200 12 VI	)3	sbasford 01/28/2003				
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Required

**Jacketed** 

## 2003 DRAFTING REQUEST

Bill

Received:	01/26/2003			Received By: dkennedy					
Wanted: As time permits					Identical to LRB:				
For: Admi	nistration-I	Budget 7-7980			By/Representing	: Blaine			
This file m	nay be shown	n to any legislat	or: NO		Drafter: dkenne	dy			
May Conta	act:				Addl. Drafters:				
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Topic:	***			*					
Redirect he	ospital asses	sment to MA; e	eliminate W	isconcare and	grad med education	on to MA prov	iders		
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**Submitted** 

**Typed** 



JIM DOYLE GOVERNOR MARC MAROTTA SECRETARY

Division of Executive Budget and Finance Post Office Box 7864 Madison, WI 53707-7864 Voice (608) 266-1736 Fax (608) 267-0372 TTY (608) 267-9629

Date:

January 24, 2003

To:

Steve Miller, Chief

Legislative Reference Bureau

From:

Robert Blaine, Executive Policy and Budget Analyst

Health and Public Safety Team, State Budget Office

Subject:

Statutory Language Requests - Department of Health and Family Services

Attached is one statutory language requests for the 2003-05 biennial budget:

• Redirect hospital assessment to Medical Assistance benefits

Please contact either myself (267-7980) if you have any questions.

3B0427

Agency: Department of Health and Family Services

**SBO Analyst:** Robert Blaine (7-7980)

**Title:** Redirect hospital assessment to Medical Assistance benefits

**Purpose of Draft:** The department collects an assessment on hospitals per s. 146.99, the funds of which are budgeted under s. 20.435 (4)(gp). The use of the funds is detailed under s. 146.93. The funds are used in part for the WisconCare program which provides limited medical benefits to eligible individuals. The rest of the funds are used for medical education supplements.

This draft will redirect assessment revenue to the Medical Assistance program for program benefits, effective July 1, 2003. Statutory sections under s. 146.93 should be deleted. Appropriate language under s. 20.435 (4)(gp) should be altered to indicate the assessment revenue should be used for purposes of the MA program per s. 49.45.

**Priority:** High.

From Robert Blaune 1/20; Eliminate Wisconcare under 14693 Eliminate graduate medical education Porguents



# Soon- Inedit 1/26 State of Misconsin 2003 - 2004 LEGISLATURE

LRB-1760/1

DOA:.....Blaine - BB0427, Redirect hospital assessment to MA; eliminate Wisconcare and grad med education to MA providers

FOR 2003-05 BUDGET - NOT READY FOR INTRODUCTION

AN ACT ...; relating to: the budget.

## Analysis by the Legislative Reference Bureau **HEALTH AND HUMAN SERVICES**

MEDICAL ASSISTANCE

Under current law, DHFS annually assesses hospitals \$1,500,000, in proportion to each hospital's gross private-pay patient revenues during the hospital's most recently concluded fiscal year. Fifty percent of moneys from the assessments is used to maintain a program, commonly known as "Wisconcare," to provide primary health care services to unemployed persons or persons employed less than 25 hours per week who have no health care coverage, are unable to obtain health care coverage, and have a family income that does not exceed 150% of the federal poverty line. The remaining 50% of assessment moneys is used to fund graduate medical education for the training of Medical Assistance (MA) program providers.

This bill eliminates the Wisconcare program and eliminates the funding of graduate medical education for the training of MA providers.

For further information see the state and local fiscal estimate, which will be printed as an appendix to this bill.

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> The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

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SECTION 1. 20.435 (4) (gp) of the statutes is amended to read:

20.435 (4) (gp) Health care and graduate medical education; aidMedical assistance; hospital assessments. All moneys received under s. 146.99, 50% to be used in each fiscal year for purchase of primary health care services under s. 146.93 and 50% to be used in each fiscal year for graduate medical education payments for training of providers under the medical assistance program under ss. 49.45 to 49.49 6 provide the state share of medical assistance program benefits administered under 8 s. 49.45, to provide medical assistance program benefits administered under s. 49.45 that are not also provided under par. (o), to fund the pilot project under s. 46.27 (9) and (10), to provide the facility payments under 1999 Wisconsin Act 9, section 9123 11 (9m), to fund services provided by resource centers under s. 46.283 and for services under the family care benefit under s 46.284 (5). Notwithstanding s. 20.002 (1), the department may transfer from this appropriation to the appropriation under sub. (7) (kb) funds in the amount for the purposes specified in s. 46.485. Notwithstanding ss. 20.061 (3) (b) and 20.002 (1), the department may credit or deposit into this appropriation/and/may transfer between fiscal years funds that it transfers from the appropriation inder sub. (7) (kb) for the purposes specified in s. 46.485 (3r). Not withstanding s. 20.002 (1), the department may transfer from this appropriation to the appropriation account under sub. (7) (bd) funds in the amount and for the purposes specified in s. 49.45 (6v)

History: 1971 c. 125 ss. 138 to 155, 522 (1); 1971 c. 211, 215, 302, 307, 322; 1973 c. 90, 198, 243; 1973 c. 284 s. 32; 1973 c. 308, 321, 322, 333, 336; 1975 c. 39 ss. 153 to 173, 732 (1), (2); 1975 c. 41 s. 52; 1975 c. 82, 224, 292; 1975 c. 413 s. 18; 1975 c. 422, 423; 1975 c. 430 ss. 1, 2, 80; 1977 c. 29 ss. 236 to 273, 1657 (18); 1977 c. 112; 1977 c. 203 s. 106; 1977 c. 213, 233, 327; 1977 c. 354 s. 101; 1977 c. 359; 1977 c. 418 ss. 129 to 137, 924 (18) (d), 929 (55); 1977 c. 428 s. 115; 1977 c. 447; 1979 c. 32 s. 92 (11); 1979 c. 34, 48; 1979 c. 102 s. 237; 1979 c. 111, 175, 177; 1979 c. 221 ss. 118g to 133, 2202 (20); 1979 c. 238, 300, 331, 361; 1981 c. 20 ss. 301 to 356b, 2202 (20) (b), (d), (g); 1981 c. 93 ss. 3 to 8, 186; 1981 c. 298, 314, 317, 359, 390; 1983 a. 27 ss. 318 to 410, 2202 (20); 1983 a. 192, 199, 245; 1983 a. 333 s. 6; 1983 a. 363, 398, 410, 427; 1983 a. 435 ss. 2, 3, 7; 1983 a. 538; 1985 a. 24, 29, 56, 73, 120, 154, 176, 255, 281, 285, 332; 1987 a. 27, 339, 368, 398, 399, 402; 1987 a. 403 ss. 25, 256; 1987 a. 413; 1989 a. 31, 53; 1989 a. 56 ss. 13, 259; 1989 a. 102; 1989 a. 107 ss. 11, 13, 17 to 37; 1989 a. 120, 122, 173, 199, 202, 318, 336, 359; 1991 a. 6, 39, 189, 269, 275, 290, 315, 322; 1993 a. 16, 76, 98, 99, 168, 183, 377, 437, 445, 446, 450, 469, 479, 490, 491; 1995 a. 27 ss. 806 to 961r, 9126 (19); 1995 a. 77, 98; 1995 a. 216 ss. 26, 27; 1995 a. 266, 276, 289, 303, 404, 417, 440, 448, 464, 468; 1997 a. 27 ss. 211, 214, 216, 217, 527 to 609; 1997 a. 35, 105, 231, 237, 280, 293; 1999 a. 5, 9, 32, 52, 84, 103, 109, 113, 133, 185, 186; 2001 a. 16, 90. 103. 105.

▼ \*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

SECTION 2. 46.27 (9) (a) of the statutes is amended to read:

46.27 (9) (a) The department may select up to 5 counties that volunteer to participate in a pilot project under which they will receive certain funds allocated for long-term care. The department shall allocate a level of funds to these counties equal to the amount that would otherwise be paid under s. 20.435 (4) (b), (gp), or (w) to nursing homes for providing care because of increased utilization of nursing home services, as estimated by the department. In estimating these levels, the department shall exclude any increased utilization of services provided by state centers for the developmentally disabled. The department shall calculate these amounts on a calendar year basis under sub. (10).

History: 1981 c. 20; 1983 a. 27; 1983 a. 189 s. 329 (5); 1983 a. 192, 239; 1985 a. 29 ss. 876s to 896am, 3200 (56); 1985 a. 120, 176; 1987 a. 27, 399; 1989 a. 31, 77, 336, 359; 1991 a. 32, 39, 235, 274; 1993 a. 16, 27, 437; 1995 a. 27; 1997 a. 13, 37, 39, 79, 237; 1999 a. 9, 63; 2001 a. 16, 103.

SECTION 3. 46.27 (10) (a) 1. of the statutes is amended to read:

46.27 (10) (a) 1. The department shall determine for each county participating in the pilot project under sub. (9) a funding level of state medical assistance expenditures to be received by the county. This level shall equal the amount that the department determines would otherwise be paid under s. 20.435 (4) (b), (gp), or (w) because of increased utilization of nursing home services, as estimated by the department.

History: 1981 c. 20; 1983 a. 27; 1983 a. 189 s. 329 (5); 1983 a. 192, 239; 1985 a. 29 ss. 876s to 896am, 3200 (56); 1985 a. 120, 176; 1987 a. 27, 399; 1989 a. 31, 77, 336, 359; 1991 a. 32, 39, 235, 274; 1993 a. 16, 27, 437; 1995 a. 27; 1997 a. 17, 27, 39, 79, 237; 1999 a. 9, 63; 2001 a. 16, 103.

SECTION 4. 46.275 (5) (a) of the statutes is amended to read:

46.275 (5) (a) Medical assistance reimbursement for services a county, or the department under sub. (3r), provides under this program is available from the appropriations appropriation accounts under s. 20.435 (4) (b), (gp), (o), and (w). If 2 or more counties jointly contract to provide services under this program and the

department approves the contract, medical assistance reimbursement is also available for services provided jointly by these counties.

History: 1983 a. 27; 1985 a. 29 ss. 896b to 896L, 3202 (23); 1985 a. 120, 176; 1987 a. 27; 1987 a. 161 s. 13m; 1987 a. 186; 1989 a. 31; 1993 a. 16; 1995 a. 27, 77; 1997 a. 27, 114; 1999 a. 9; 2001 a. 16.

SECTION 5. 46.275 (5) (c) of the statutes is amended to read:

46.275 (5) (c) The total allocation under s. 20.435 (4) (b), (gp), (o), and (w) to counties and to the department under sub. (3r) for services provided under this section may not exceed the amount approved by the federal department of health and human services. A county may use funds received under this section only to provide services to persons who meet the requirements under sub. (4) and may not use unexpended funds received under this section to serve other developmentally disabled persons residing in the county.

History: 1983 a. 27; 1985 a. 29 ss. 896b to 896L, 3202 (23); 1985 a. 120, 176; 1987 a. 27; 1987 a. 161 s. 13m; 1987 a. 186; 1989 a. 31; 1993 a. 16; 1995 a. 27, 77; 1997 a. 27, 114; 1999 a. 9; 2001 a. 16.

SECTION 6. 46.283 (5) of the statutes is amended to read:

46.283 (5) Funding. From the appropriation accounts under s. 20.435 (4) (b), (bm), (gp), (pa), and (w) and (7) (b), (bd), and (md), the department may contract with organizations that meet standards under sub. (3) for performance of the duties under sub. (4) and shall distribute funds for services provided by resource centers.

History: 1999 a. 9; 2001 a. 16, 103. SECTION 7. 46.284 (5) (a) of the statutes is amended to read:

46.284 (5) (a) From the appropriation accounts under s. 20.435 (4) (b), (g), (gp), (im), (o), and (w) and (7) (b) and (bd), the department shall provide funding on a capitated payment basis for the provision of services under this section. Notwithstanding s. 46.036 (3) and (5m), a care management organization that is under contract with the department may expend the funds, consistent with this

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- 1 section, including providing payment, on a capitated basis, to providers of services 2 under the family care benefit.
- History: 1999 a. 9; 2001 a. 16, 103. SECTION 8. 46.485 (2g) (intro.) of the statutes is amended to read: 3
- 46.485 (2g) (intro.) From the appropriation accounts under s. 20.435 (4) (b) and (gp), the department may in each fiscal year transfer funds to the appropriation 6 under s. 20.435 (7) (kb) for distribution under this section and from the appropriation under s. 20.435 (7) (mb) the department may not distribute more than \$1,330,500 in 7 8 each fiscal year to applying counties in this state that meet all of the following 9 requirements, as determined by the department:

History: 1989 a. 336; 1991 a. 39, 269; 1993 a. 16, 437; 1995 a. 27; 1997 127; 1999 a. 9.

SECTION 9. 49.45 (2) (a) 17. of the statutes is amended to read:

49.45 (2) (a) 17. Notify the governor, the joint committee on legislative organization, the joint committee on finance and appropriate standing committees, as determined by the presiding officer of each house, if the appropriation accounts under s. 20.435 (4) (b) is and (gp) are insufficient to provide the state share of medical assistance.

History: 1971 c. 40 s. 93; 1971 c. 42, 125; 1971 c. 213 s. 5; 1971 c. 215, 217, 307; 1973 c. 62, 90, 147; 1973 c. 333 ss. 106g, 106h, 106j, 201w; 1975 c. 39; 1975 c. 223 s. 28; 1975 c. 224 ss. 54h, 56 to 59m; 1975 c. 383 s. 4; 1975 c. 411; 1977 c. 29, 418; 1979 c. 34 ss. 837 to 838, 2102 (20) (a); 1979 c. 102, 177, 221, 355; 1981 c. 20 ss. 839 to 854, 2202 (20) (r); 1981 c. 93, 317; 1983 a. 27 ss. 1046 to 1062m, 2200 (42); 1983 a. 245, 447, 527; 1985 a. 29 ss. 1026m to 1031d, 3200 (23), (56), 3202 (27); 1985 a. 120, 176, 269; 1985 a. 332 ss. 91, 251 (5), 253; 1985 a. 340; 1987 a. 27 ss. 989r to 1000s, 2247, 3202 (24); 1987 a. 186, 307, 339, 399; 1987 a. 403 s. 256; 1987 a. 413; 1989 a. 6; 1989 a. 31 ss. 1402 to 1452g, 2909g, 2909i; 1989 a. 107, 173, 310, 336, 351, 359; 1991 a. 22, 39, 80, 250, 269, 315, 316; 1993 a. 16 ss. 1362g to 1403, 3883; 1993 a. 27, 107, 112, 183, 212, 246, 269, 335, 356, 437, 446, 469; 1995 a. 20; 1995 a. 27 ss. 2947 f. 3002r, 7299, 9126 (19), 9130 (4), 9145 (1); 1995 a. 191, 216, 225, 289, 303, 398, 417, 457; 1997 a. 3, 13, 27, 114, 175, 191, 237, 252, 293; 1999 a. 9, 63, 103, 180, 185; 201 a. 13, 16, 35, 38, 57, 67, 104, 109.

**SECTION 10.** 49.45 (5m) (am) of the statutes is amended to read:

49.45 (5m) (am) Notwithstanding sub. (3) (e), from the appropriations appropriation accounts under s. 20.435 (4) (b), (gp), (o), and (w), the department shall distribute not more than \$2,256,000 in each fiscal year, to provide supplemental funds to rural hospitals that, as determined by the department, have high utilization of inpatient services by patients whose care is provided from governmental sources, and to provide supplemental funds to critical access hospitals, except that the

- department may not distribute funds to a rural hospital or to a critical access hospital 1
- to the extent that the distribution would exceed any limitation under 42 USC 1396b 2
- 3 (i) (3).

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History: 1971 c. 40 s. 93; 1971 c. 42, 125; 1971 c. 213 s. 5; 1971 c. 215, 217, 307; 1973 c. 62, 90, 147; 1973 c. 333 ss. 106g, 106h, 106j, 201w; 1975 c. 39; 1975 c. 223 s. 28; 1975 c. 224 ss. 54h, 56 to 59m; 1975 c. 383 s. 4; 1975 c. 411; 1977 c. 29, 418; 1979 c. 34 ss. 837f to 838, 2102 (20) (a); 1979 c. 102, 177, 221, 355; 1981 c. 20 ss. 839 to 854, 2202 (20) (r); 1981 c. 93, 317; 1983 a. 27 ss. 1046 to 1062m, 2200 (42); 1983 a. 245, 447, 527; 1985 a. 29 ss. 1026m to 1031d, 3200 (23), (56), 3202 (27); 1985 a. 120, 176, 269; 1985 a. 332 ss. 91, 251 (5), 253; 1985 a. 340; 1987 a. 27 ss. 989r to 1000s, 2247, 3202 (24); 1987 a. 186, 307, 339, 399; 1987 a. 403 s. 256; 1987 a. 413; 1989 a. 6; 1983 a. 31 ss. 1402 to 1452g, 2909g, 2909i; 1989 a. 107, 173, 310, 336, 351, 359; 1991 a. 22, 39, 80, 250, 269, 315, 316; 1993 a. 16 ss. 1362g to 1403, 3883; 1993 a. 27, 107, 112, 183, 212, 246, 269, 335, 356, 437, 446, 469; 1995 a. 20; 1995 a. 27 ss. 2947 to 3002r, 7299, 9126 (19), 9130 (4), 9145 (1); 1995 a. 191, 216, 225, 289, 303, 398, 417, 457; 1997 a. 3, 13, 27, 114, 175, 191, 237, 252, 293; 1999 a. 9, 63, 103, 180, 185; 2001 a. 13, 16, 35, 35, 57, 67, 104, 109.

SECTION 11. 49.45 (6m) (ag) (intro.) of the statutes is amended to read:

49.45 (6m) (ag) (intro.) Payment for care provided in a facility under this subsection made under s. 20.435 (4) (b), (gp), (pa), (o), (w), or (wm) shall, except as provided in pars. (bg), (bm), and (br), be determined according to a prospective payment system updated annually by the department. The payment system shall implement standards that are necessary and proper for providing patient care and that meet quality and safety standards established under subch. II of ch. 50 and ch. 150. The payment system shall reflect all of the following:

History: 1971 c. 40 s. 93; 1971 c. 42, 125; 1971 c. 213 s. 5; 1971 c. 215, 217, 307; 1973 c. 62, 90, 147; 1973 c. 333 ss. 106g, 106h, 106j, 201w; 1975 c. 39; 1975 c. 223 s. 28; 1975 c. 224 ss. 54h, 56 to 59m; 1975 c. 383 s. 4; 1975 c. 411; 1977 c. 29, 418; 1979 c. 34 ss. 837f to 838, 2102 (20) (a); 1979 c. 102, 177, 221, 355; 1981 c. 20 ss. 839 to 854, 2202 (20) (r); 1981 c. 93, 317; 1983 a. 27 ss. 1046 to 1062m, 2200 (42); 1983 a. 245, 447, 527; 1985 a. 29 ss. 1026m to 1031d, 3200 (23), (56), 3202 (27); 1985 a. 120, 176, 269; 1985 a. 332 ss. 91, 251 (5), 253; 1985 a. 340; 1987 a. 27 ss. 989r to 1000s, 2247, 3202 (24); 1987 a. 186, 307, 339, 399; 1987 a. 403 s. 256; 1987 a. 413; 1989 a. 6; 1989 a. 31 ss. 1402 to 1452g, 2909g, 2909i; 1989 a. 107, 173, 310, 336, 351, 359; 1991 a. 22, 39, 80, 250, 269, 315, 316; 1993 a. 16 ss. 1362g to 1403, 3883; 1993 a. 27, 107, 112, 183, 212, 246, 269, 335, 356, 437, 446, 469; 1995 a. 20; 1995 a. 27 ss. 2947 to 3002r, 7299, 9126 (19), 9130 (4), 9145 (1); 1995 a. 191, 216, 225, 289, 303, 398, 417, 457; 1997 a. 3, 13, 27, 114, 175, 191, 237, 252, 293; 1999 a. 9, 63, 103, 180, 105; 2001 a. 13, 16, 35, 38, 57, 67, 104, 109.

SECTION 12. 49.45 (6v) (b) of the statutes is amended to read:

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49.45 (6v) (b) The department shall, each year, submit to the joint committee on finance a report for the previous fiscal year, except for the 1997-98 fiscal year, that provides information on the utilization of beds by recipients of medical assistance in facilities and a discussion and detailed projection of the likely balances, expenditures, encumbrances and carry over of currently appropriated amounts in the appropriation accounts under s. 20.435 (4) (b), (gp), and (o).

History: 1971 c. 40 s. 93; 1971 c. 42, 125; 1971 c. 213 s. 5; 1971 c. 215, 217, 307; 1973 c. 62, 90, 147; 1973 c. 333 ss. 106g, 106h, 106j, 201w; 1975 c. 39; 1975 c. 223 s. 28; 1975 c. 224 ss. 54h, 56 to 59m; 1975 c. 383 s. 4; 1975 c. 411; 1977 c. 29, 418; 1979 c. 34 ss. 837f to 838, 2102 (20) (a); 1979 c. 102, 177, 221, 355; 1981 c. 20 ss. 839 to 854, 2202 (20) (r); 1981 c. 93, 317; 1983 a. 27 ss. 1046 to 1062m, 2200 (42); 1983 a. 245, 447, 527; 1985 a. 29 ss. 1026m to 1031d, 3200 (23), (56), 3202 (27); 1985 a. 120, 176, 269; 1985 a. 332 ss. 91, 251 (5), 253; 1985 a. 340; 1987 a. 27 ss. 989r to 1000s, 2247, 3202 (24); 1987 a. 186, 307, 339, 399; 1987 a. 403 s. 256; 1987 a. 413; 1989 a. 6; 1983 a. 31 ss. 1402 to 1452g, 2909g, 2909i; 1989 a. 107, 173, 310, 336, 351, 359; 1991 a. 22, 39, 80, 250, 269, 315, 316; 1993 a. 16 ss. 1362g to 1403, 3883; 1993 a. 27, 107, 112, 183, 212, 246, 269, 335, 356, 437, 446, 469; 1995 a. 20; 1995 a. 27 ss. 2947 to 3002r, 7299, 9126 (19), 9130 (4), 9145 (1); 1995 a. 191, 216, 225, 289, 303, 398, 417, 457; 1997 a. 3, 13, 27, 114, 175, 191, 237, 252, 293; 1999 a. 9, 63, 103, 180, 185; 2001 a. 13, 16, 35, 38, 57, 67, 104, 109.

SECTION 13. 49.45 (6x) (a) of the statutes is amended to read:

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Notwithstanding sub. (3) (e), from the appropriations 49.45 **(6x)** (a) appropriation accounts under s. 20.435 (4) (b), (gp), (o), and (w), the department shall distribute not more than \$4,748,000 in each fiscal year, to provide funds to an essential access city hospital, except that the department may not allocate funds to an essential access city hospital to the extent that the allocation would exceed any limitation under 42 USC 1396b (i) (3).

History: 1971 c. 40 s. 93; 1971 c. 42, 125; 1971 c. 213 s. 5; 1971 c. 215, 217, 307; 1973 c. 62, 90, 147; 1973 c. 333 ss. 106g, 106h, 106j, 201w; 1975 c. 39; 1975 c. 223 s. 28; 1975 c. 224 ss. 54h, 56 to 59m; 1975 c. 383 s. 4; 1975 c. 411; 1977 c. 29, 418; 1979 c. 34 ss. 837f to 838, 2102 (20) (a); 1979 c. 102, 177, 221, 355; 1981 c. 20 ss. 839 to 854, 2202 (20) (r); 1981 c. 93, 317; 1983 a. 27 ss. 1046 to 1062m, 2200 (42); 1983 a. 245, 447, 527; 1985 a. 29 ss. 1026m to 1031d, 3200 (23), (56), 3202 (27); 1985 a. 120, 176, 269; 1985 a. 332 ss. 91, 251 (5), 253; 1985 a. 340; 1987 a. 27 ss. 989r to 1000s, 2247, 3202 (24); 1987 a. 186, 307, 339, 399; 1987 a. 403 s. 256; 1987 a. 413; 1989 a. 6; 1989 a. 31 ss. 1402 to 1452g, 2909g, 2909i; 1989 a. 107, 173, 310, 336, 351, 359; 1991 a. 22, 39, 80, 250, 269, 315, 316; 1993 a. 16 ss. 1362g to 1403, 3883; 1993 a. 27, 107, 112, 183, 212, 246, 269, 335, 356, 437, 446, 469; 1995 a. 20; 1995 a. 27 ss. 2947 to 3002r, 7299, 9126 (19), 9130 (4), 9145 (1); 1995 a. 191, 216, 225, 289, 303, 398, 417, 457; 1997 a. 3, 13, 27, 114, 175, 191, 237, 232, 293; 1999 a. 9, 63, 103, 180, 195; 2001 a. 13, 16, 35, 38, 57, 67, 104, 109.

**SECTION 14.** 49.45 (6y) (a) of the statutes is amended to read:

49.45 **(6y)** (a) Notwithstanding sub. (3) (e), from the appropriations appropriation accounts under s. 20.435 (4) (b), (gp), (o), and (w), the department shall distribute funding in each fiscal year to provide supplemental payment to hospitals that enter into a contract under s. 49.02 (2) to provide health care services funded by a relief block grant, as determined by the department, for hospital services that are not in excess of the hospitals' customary charges for the services, as limited under 42 USC 1396b (i) (3). If no relief block grant is awarded under this chapter or if the allocation of funds to such hospitals would exceed any limitation under 42 USC 1396b (i) (3), the department may distribute funds to hospitals that have not entered into a contract under s. 49.02 (2).

History: 1971 c. 40 s. 93; 1971 c. 42, 125; 1971 c. 213 s. 5; 1971 c. 215, 217, 307; 1973 c. 62, 90, 147; 1973 c. 333 ss. 106g, 106h, 106j, 201w; 1975 c. 39; 1975 c. 223 s. 28; 1975 c. 224 ss. 54h, 56 to 59m; 1975 c. 383 s. 4; 1975 c. 411; 1977 c. 29, 418; 1979 c. 34 ss. 837f to 838, 2102 (20) (a); 1979 c. 102, 177, 221, 355; 1981 c. 20 ss. 839 to 854, 2202 (20) (r); 1981 c. 93, 317; 1983 a. 27 ss. 1046 to 1062m, 2200 (42); 1983 a. 245, 447, 527; 1985 a. 29 ss. 1026m to 1031d, 3200 (23), (56), 3202 (27); 1985 a. 120, 176, 269; 1985 a. 332 ss. 91, 251 (5), 253; 1985 a. 340; 1987 a. 27 ss. 989r to 1000s, 2247, 3202 (24); 1987 a. 186, 307, 339, 399; 1987 a. 403 s. 256; 1987 a. 413; 1989 a. 6; 1989 a. 31 ss. 1402 to 1452g, 2909g, 2909i; 1989 a. 107, 173, 310, 336, 351, 359; 1991 a. 22, 39, 80, 250, 269, 315, 316; 1993 a. 16 ss. 1362g to 1403, 3883; 1993 a. 27, 107, 112, 183, 212, 246, 269, 335, 356, 437, 446, 469; 1995 a. 20; 1995 a. 27 ss. 2947, to 3002r, 7299, 9126 (19), 9130 (4), 9145 (1); 1995 a. 191, 216, 225, 289, 303, 398, 417, 457; 1997 a. 3, 13, 27, 114, 175, 191, 237, 252, 293; 1999 a. 9, 63, 103, 180, 185, 2601 a. 13, 16, 35, 38, 57, 67, 104, 109.

SECTION 15. 49.45 (6y) (am) of the statutes is amended to read:

Notwithstanding sub. (3) (e), from the appropriations 49.45 **(6y)** (am) appropriation accounts under s. 20.435 (4) (b), (h), (gp), (o), and (w), the department shall distribute funding in each fiscal year to provide supplemental payments to

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hospitals that enter into contracts under s. 49.02 (2) with a county having a 1 2 population of 500,000 or more to provide health care services funded by a relief block grant, as determined by the department, for hospital services that are not in excess 3 of the hospitals' customary charges for the services, as limited under 42 USC 1396b 4 5 (i) (3).

History: 1971 c. 40 s. 93; 1971 c. 42, 125; 1971 c. 213 s. 5; 1971 c. 215, 217, 307; 1973 c. 62, 90, 147; 1973 c. 333 ss. 106g, 106h, 106j, 201w; 1975 c. 39; 1975 c. 223 s. 28; 1975 c. 224 ss. 54h, 56 to 59m; 1975 c. 383 s. 4; 1975 c. 411; 1977 c. 29, 418; 1979 c. 34 ss. 837f to 838, 2102 (20) (a); 1979 c. 102, 177, 221, 355; 1981 c. 20 ss. 839 to 854, 2202 (20) (r); 1981 c. 93, 317; 1983 a. 27 ss. 1046 to 1062m, 2200 (42); 1983 a. 245, 447, 527; 1985 a. 29 ss. 1026m to 1031d, 3200 (23), (56), 3202 (27); 1985 a. 120, 176, 269; 1985 a. 332 ss. 91, 251 (5), 253; 1985 a. 340; 1987 a. 27 ss. 989r to 1000s, 2247, 3202 (24); 1987 a. 186, 307, 339, 399; 1987 a. 403 s. 256; 1987 a. 413; 1989 a. 6; 1989 a. 31 ss. 1402 to 1452g, 2909g, 2909i; 1989 a. 107, 173, 310, 336, 351, 359; 1991 a. 22, 39, 80, 250, 269, 315, 316; 1993 a. 16 ss. 1362g to 1403, 3883; 1993 a. 27, 107, 112, 183, 212, 246, 269, 335, 356, 437, 446, 469; 1995 a. 20; 1995 a. 27 ss. 2947 to 3002r, 7299, 9126 (19), 9130 (4), 9145 (1); 1995 a. 191, 216, 225, 289, 303, 398, 417, 457; 1997 a. 3, 13, 27, 114, 175, 191, 237, 252, 293; 1999 a. 9, 63, 103, 180, 185; 2001 a. 13, 16, 35, 38, 57, 67, 104, 109.

SECTION 16. 49.45 (6z) (a) (intro.) of the statutes is amended to read:

49.45 (6z) (a) (intro.) Notwithstanding sub. (3) (e), from the appropriations appropriation accounts under s. 20.435 (4) (b), (gp), (o), and (w), the department shall distribute funding in each fiscal year to supplement payment for services to hospitals that enter into a contract under s. 49.02 (2) to provide health care services funded by a relief block grant under this chapter, if the department determines that the hospitals serve a disproportionate number of low-income patients with special needs. If no medical relief block grant under this chapter is awarded or if the allocation of funds to such hospitals would exceed any limitation under 42 USC 1396b (i) (3), the department may distribute funds to hospitals that have not entered into a contract under s. 49.02 (2). The department may not distribute funds under this subsection to the extent that the distribution would do any of the following:

History: 1971 c. 40 s. 93; 1971 c. 42, 125; 1971 c. 213 s. 5; 1971 c. 215, 217, 307; 1973 c. 62, 90, 147; 1973 c. 333 ss. 106g, 106h, 106j, 201w; 1975 c. 39; 1975 c. 223 s. 28; 1975 c. 224 ss. 54h, 56 to 59m; 1975 c. 383 s. 4; 1975 c. 411; 1977 c. 29, 418; 1979 c. 34 ss. 837f to 838, 2102 (20) (a); 1979 c. 102, 177, 221, 355; 1981 c. 20 ss. 839 to 854, 2202 (20) (r); 1981 c. 93, 317; 1983 a. 27 ss. 1046 to 1062m, 2200 (42); 1983 a. 245, 447, 527; 1985 a. 29 ss. 1026m to 1031d, 3200 (23), (56), 3202 (27); 1985 a. 120, 176, 269; 1985 a. 332 ss. 91, 251 (5), 253; 1985 a. 340; 1987 a. 27 ss. 989r to 1000s, 2247, 3202 (24); 1987 a. 186, 307, 339, 399; 1987 a. 403 s. 256; 1987 a. 413; 1989 a. 6; 1989 a. 31 ss. 1402 to 1452g, 2909g, 2909i; 1989 a. 107, 173, 310, 336, 351, 359; 1991 a. 22, 39, 80, 250, 269, 315, 316; 1993 a. 16 ss. 1362g to 1403, 3883; 1993 a. 27, 107, 112, 133, 212, 246, 269, 335, 356, 437, 446, 469; 1995 a. 20; 1995 a. 27 ss/2947 to 3002r, 7299, 9126 (19), 9130 (4), 9145 (1); 1995 a. 191, 216, 225, 289, 303, 398, 417, 457; 1997 a. 3, 13, 27, 114, 175, 191, 237, 252, 293; 1999 a. 9, 63, 103, 180, was; 2001 a. 13, 16, 35, 38, 57, 67, 104, 109.

SECTION 17. 49.45 (8) (b) of the statutes is amended to read:

49.45 (8) (b) Reimbursement under s. 20.435 (4) (b), (gp), (o), and (w) for home health services provided by a certified home health agency or independent nurse shall be made at the home health agency's or nurse's usual and customary fee per

- patient care visit, subject to a maximum allowable fee per patient care visit that is 1 2 established under par. (c).
  - History: 1971 c. 40 s. 93; 1971 c. 42, 125; 1971 c. 213 s. 5; 1971 c. 215, 217, 307; 1973 c. 62, 90, 147; 1973 c. 333 ss. 106g, 106h, 106j, 201w; 1975 c. 39; 1975 c. 223 s. 28; 1975 c. 224 ss. 54h, 56 to 59m; 1975 c. 383 s. 4; 1975 c. 411; 1977 c. 29, 418; 1979 c. 34 ss. 837f to 838, 2102 (20) (a); 1979 c. 102, 177, 221, 355; 1981 c. 20 ss. 839 to 854, 2202 (20) (r); 1981 c. 93, 317; 1983 a. 27 ss. 1046 to 1062m, 2200 (42); 1983 a. 245, 447, 527; 1985 a. 29 ss. 1026m to 1031d, 3200 (23), (56), 3202 (27); 1985 a. 120, 176, 269; 1985 a. 332 ss. 91, 251 (5), 253; 1985 a. 340; 1987 a. 27 ss. 989r to 1000s, 2247, 3202 (24); 1987 a. 186, 307, 339, 399; 1987 a. 403 s. 256; 1987 a. 413; 1989 a. 6; 1989 a. 31 ss. 1402 to 1452g, 2909g, 2909i; 1989 a. 107, 173, 310, 336, 351, 359; 1991 a. 22, 39, 80, 250, 269, 315, 316; 1993 a. 16 ss. 1362g to 1403, 3883; 1993 a. 27, 107, 112, 183, 212, 246, 269, 335, 356, 437, 446, 469; 1995 a. 20; 1995 a. 27 ss. 2947 to 3002r, 7299, 9126 (19), 9130 (4), 9145 (1); 1995 a. 191, 216, 225, 289, 303, 398, 417, 457; 1997 a. 3, 13, 27, 114, 175, 191, 237, 252, 293; 1999 a. 9, 63, 103, 180, 185; 2001 a. 137 16, 35, 38, 57, 67, 104, 109.

    SECTION 18. 49.45 (24m) (intro.) of the statutes is amended to read:

4 49.45 (24m) Home Health care and personal care pilot program. (intro.) From the appropriations appropriation accounts under s. 20.435 (4) (b), (gp), (o), and 5 (w), in order to test the feasibility of instituting a system of reimbursement for 6 7 providers of home health care and personal care services for medical assistance 8 recipients that is based on competitive bidding, the department shall:

History: 1971 c. 40 s. 93; 1971 c. 42, 125; 1971 c. 213 s. 5; 1971 c. 215, 217, 307; 1973 c. 62, 90, 147; 1973 c. 333 ss. 106g, 106h, 106j, 201w; 1975 c. 39; 1975 c. 223 s. 28; 1975 c. 224 ss. 54h, 56 to 59m; 1975 c. 383 s. 4; 1975 c. 411; 1977 c. 29, 418; 1979 c. 34 ss. 837f to 838, 2102 (20) (a); 1979 c. 102, 177, 221, 355; 1981 c. 20 ss. 839 to 854, 2202 (20) (r); 1981 c. 93, 317; 1983 a. 27 ss. 1046 to 1062m, 2200 (42); 1983 a. 245, 447, 527; 1985 a. 29 ss. 1026m to 1031d, 3200 (23), (56), 3202 (27); 1985 a. 120, 176, 269; 1985 a. 332 ss. 91, 251 (5), 253; 1985 a. 340; 1987 a. 27 ss. 989r to 1000s, 2247, 3202 (24); 1987 a. 186, 307, 339, 399; 1987 a. 403 s. 256; 1987 a. 413; 1989 a. 6; 1989 a. 31 ss. 1402 to 1452g, 2909g, 2909i; 1989 a. 107, 173, 310, 336, 351, 359; 1991 a. 22, 39, 80, 250, 269, 315, 316; 1993 a. 16 ss. 1362g to 1403, 3883; 1993 a. 27, 107, 112, 183, 212, 246, 269, 335, 356, 437, 446, 469; 1995 a. 20; 1995 a. 27 ss. 2947 to 3002r, 7299, 9126 (19), 9130 (4), 9145 (1); 1995 a. 191, 216, 225, 289, 303, 398, 417, 457; 1997 a. 3, 13, 27, 114, 175, 191, 237, 252, 293; 1999 a. 9, 63, 103, 180, 186; 2001 a. 13, 16, 35, 38, 57, 67, 104, 109.

SECTION 19. 49.472 (6) (a) of the statutes is amended to read:

49.472 (6) (a) Notwithstanding sub. (4) (a) 3., from the appropriation account under s. 20.435 (4) (b), (gp), or (w), the department shall, on the part of an individual who is eligible for medical assistance under sub. (3), pay premiums for or purchase individual coverage offered by the individual's employer if the department determines that paying the premiums for or purchasing the coverage will not be more costly than providing medical assistance.

History: 1999 a. 9, 185; 2001 a. 16. SECTION 20. 49.472 (6) (b) of the statutes is amended to read:

If federal financial participation is available, from the 49.472 **(6)** (b) appropriation account under s. 20.435 (4) (b), (gp), or (w), the department may pay medicare Part A and Part B premiums for individuals who are eligible for medicare and for medical assistance under sub. (3).

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SECTION 21.	49.473 (5) of the statutes is amended to read:
DECITOR 21.	10.110 (b) of the statutes is afficiated to feat.

49.473 (5) The department shall audit and pay, from the appropriation counts under s. 20.435 (4) (b), (gp), and (o), allowable charges to a provider who is certified under s. 49.45 (2) (a) 11. for medical assistance on behalf of a woman who meets the requirements under sub. (2) for all benefits and services specified under s. 49.46 (2).

7 SECTION 22. 146.93 of the statutes is repealed.

(END)

D-NOTE

# DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

DAK:

Nate

To Robert Blaine:

The language of s. 20.435 (4) (gp), stats., as modified in this bill, duplicates the language under s. 20.435 (4) (b), stats., to make expenditure under MA as broad as possible. Is that what you want? Should the transfer language of the last three sentences be included? Do you want a provision the requires the expenditures be made under this appropriation before they are made under s. 20.435 (4) (b), stats.?

Debora A. Kennedy Managing Attorney Phone: (608) 266-0137

E-mail: debora.kennedy@legis.state.wi.us

# DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRB-1760/1dn DAK:jld:rs

January 28, 2003

#### To Robert Blaine:

The language of s. 20.435 (4) (gp), stats., as modified in this bill, duplicates the language under s. 20.435 (4) (b), stats., to make expenditure under MA as broad as possible. Is that what you want? Should the transfer language of the last three sentences be included? Do you want a provision that requires the expenditures be made under this appropriation before they are made under s. 20.435 (4) (b), stats.?

Debora A. Kennedy Managing Attorney Phone: (608) 266–0137

 $E-mail:\ debora.kennedy@legis.state.wi.us$ 



## State of Wisconsin **2003 – 2004 LEGISLATURE**

LRB-1760/**₹** 

DAK:jld:rs

D-NOTE

DOA:.....Blaine - BB0427, Redirect hospital assessment to MA; eliminate Wisconcare and grad med education to MA providers

FOR 2003-05 BUDGET — NOT READY FOR INTRODUCTION

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AN ACT ...; relating to: the budget.

### Analysis by the Legislative Reference Bureau HEALTH AND HUMAN SERVICES

#### MEDICAL ASSISTANCE

Under current law, DHFS annually assesses hospitals \$1,500,000, in proportion to each hospital's gross private-pay patient revenues during the hospital's most recently concluded fiscal year. Fifty percent of moneys from the assessments is used to maintain a program, commonly known as "Wisconcare" to provide primary health care services to unemployed persons or persons employed less than 25 hours per week who have no health care coverage, are unable to obtain health care coverage, and have a family income that does not exceed 150% of the federal poverty line. The remaining 50% of assessment moneys is used to fund graduate medical education for the training of Medical Assistance (MA) program providers.

This bill eliminates the Wisconcare program and eliminates the funding of graduate medical education for the training of MA providers.

For further information see the state and local fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

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**SECTION 1.** 20.435 (4) (gp) of the statutes is amended to read:

20.435 (4) (gp) Health care and graduate medical education; aid Medical assistance; hospital assessments. All moneys received under s. 146.99, 50% to be used in each fiscal year for purchase of primary health care services under s. 146.93 and 50% to be used in each fiscal year for graduate medical education payments for training of providers under the medical assistance program under ss. 49.45 to 49.499 provide the state share of Medical Assistance program benefits administered under s. 49.45, to provide Medical Assistance program benefits administered under s. 49.45 that are not also provided under par. (o), to fund the pilot project under s. 46.27 (9) and (10), to provide the facility payments under 1999 Wisconsin Act 9, section 9123 (9m), to fund services provided by resource centers under s. 46.283, and for services under the family care benefit under s. 46.284 (5). Notwithstanding s. 20.002 (1), the department may transfer from this appropriation account to the appropriation account under sub. (7) (kb) funds in the amount of and for the purposes specified in s. 46.485. Notwithstanding ss. 20.001 (3) (b) and 20.002 (1), the department may credit or deposit into this appropriation account and may transfer between fiscal years funds that it transfers from the appropriation account under sub. (7) (kb) for the purposes specified in s. 46.485 (3r). Notwithstanding s. 20.002 (1), the department may transfer from this appropriation account to the appropriation account under sub. (7) (bd) funds in the amount and for the purposes specified in s. 49.45 (6v).

\*\*\*\*Note: This Section involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

**SECTION 2.** 46.27 (9) (a) of the statutes is amended to read:

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46.27 (9) (a) The department may select up to 5 counties that volunteer to participate in a pilot project under which they will receive certain funds allocated for long-term care. The department shall allocate a level of funds to these counties equal to the amount that would otherwise be paid under s. 20.435 (4) (b), (gp), or (w) to nursing homes for providing care because of increased utilization of nursing home services, as estimated by the department. In estimating these levels, the department shall exclude any increased utilization of services provided by state centers for the developmentally disabled. The department shall calculate these amounts on a calendar year basis under sub (10)

calendar year basis under sub. (10).

**SECTION 3.** 46.27 (10) (a) 1. of the statutes is amended to read:

46.27 (10) (a) 1. The department shall determine for each county participating in the pilot project under sub. (9) a funding level of state medical assistance expenditures to be received by the county. This level shall equal the amount that the department determines would otherwise be paid under s. 20.435 (4) (b), (gp), or (w) because of increased utilization of nursing home services, as estimated by the

 $\frac{1}{4}$  department.

SECTION 4. 46.275 (5) (a) of the statutes is amended to read:

46.275 (5) (a) Medical assistance reimbursement for services a county, or the department under sub. (3r), provides under this program is available from the appropriations appropriation accounts under s. 20.435 (4) (b), (gp), (o), and (w). If 2 or more counties jointly contract to provide services under this program and the department approves the contract, medical assistance reimbursement is also available for services provided jointly by these counties.

SECTION 5. 46.275 (5) (c) of the statutes is amended to read:

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1)_	46.275 (5) (c) The total allocation under s. 20.435 (4) (b), (gp), (o), and (w) to
2	counties and to the department under sub. (3r) for services provided under this
3	section may not exceed the amount approved by the federal department of health and
4	human services. A county may use funds received under this section only to provide
5	services to persons who meet the requirements under sub. (4) and may not use
6	unexpended funds received under this section to serve other developmentally
7	disabled persons residing in the county.

**SECTION 6.** 46.283 (5) of the statutes is amended to read:

9 46.283 (5) Funding. From the appropriation accounts under s. 20.435 (4) (b), ſΩ (bm), (gp), (pa), and (w) and (7) (b), (bd), and (md), the department may contract with

organizations that meet standards under sub. (3) for performance of the duties under

sub. (4) and shall distribute funds for services provided by resource centers.

NSERI **SECTION 7.** 46.284(5)(a) of the statutes is amended to read: 13

46.284 (5) (a) From the appropriation accounts under s. 20.435 (4) (b), (g), (gp), (im), (o), and (w) and (7) (b) and (bd), the department shall provide funding on a capitated payment basis for the provision of services under this section. Notwithstanding s. 46.036 (3) and (5m), a care management organization that is under contract with the department may expend the funds, consistent with this section, including providing payment, on a capitated basis, to providers of services under the family care benefit. WSERT 4.20)

**Section 8.** 46.485 (2g) (intro.) of the statutes is amended to read:

46.485 (2g) (intro.) From the appropriation accounts under s. 20.435 (4) (b) and (gp), the department may in each fiscal year transfer funds to the appropriation under s. 20.435 (7) (kb) for distribution under this section and from the appropriation under s. 20.435 (7) (mb) the department may not distribute more than \$1,330,500 in IN SERT

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1 each fiscal year to applying counties in this state that meet all of the following 2 requirements, as determined by the department: 3 **SECTION 9.** 49.45 (2) (a) 17. of the statutes is amended to read: 4 49.45 (2) (a) 17. Notify the governor, the joint committee on legislative 5 organization, the joint committee on finance and appropriate standing committees, as determined by the presiding officer of each house, if the appropriation accounts 6 17 under s. 20.435 (4) (b) is and (gp) are insufficient to provide the state share of medical and (r) 8 assistance. SECTION 10. 49.45 (5m) (am) of the statutes is amended to read: 9 49.45 (5m) (am) Notwithstanding sub. (3) (e), from the appropriations 10 11 appropriation accounts under s. 20.435 (4) (b), (gg), (o), and (w), the department shall distribute not more than \$2,256,000 in each fiscal year, to provide supplemental 12 13 funds to rural hospitals that, as determined by the department, have high utilization 14 of inpatient services by patients whose care is provided from governmental sources. and to provide supplemental funds to critical access hospitals, except that the 15 department may not distribute funds to a rural hospital or to a critical access hospital 16 to the extent that the distribution would exceed any limitation under 42 USC 1396b 17 18 (i) (3). SECTION 11. 49.45 (6m) (ag) (intro.) of the statutes is amended to read: 19 20 49.45 (6m) (ag) (intro.) Payment for care provided in a facility under this subsection made under s. 20.435 (4) (b), (gp), (pa), (o), (w), or (wm) shall, except as  $2\overline{1}$ 

provided in pars. (bg), (bm), and (br), be determined according to a prospective

payment system updated annually by the department. /The payment system shall

implement standards that are necessary and proper for providing patient care and

SECTION 11

(v),

- 1 that meet quality and safety standards established under subch. II of ch. 50 and ch.
- 150. The payment system shall reflect all of the following:
- SECTION 12. 49.45 (6v) (b) of the statutes is amended to read:
- 4 49.45 (6v) (b) The department shall, each year, submit to the joint committee
- 5 on finance a report for the previous fiscal year, except for the 1997-98 fiscal year, that
- 6 provides information on the utilization of beds by recipients of medical assistance in
- 7 facilities and a discussion and detailed projection of the likely balances,
- expenditures, encumbrances and carry over of currently appropriated amounts in 8
- 9 the appropriation accounts under s. 20.435 (4) (b) (gp)
- SECTION 13. 49.45 (6x) (a) of the statutes is amended to read: <del>10</del>
- 11 Notwithstanding sub. (3) (e), from the appropriations 49.45 **(6x)** (a)
- 12 appropriation accounts under s. 20.435 (4) (b), (gp), (o), and (w), the department shall
- distribute not more than \$4,748,000 in each fiscal year, to provide funds to an 13
- 14 essential access city hospital, except that the department may not allocate funds to
- an essential access city hospital to the extent that the allocation would exceed any 15
- 16 limitation under 42 USC 1396b (i) (3).
- NSERT SECTION 14. 49.45 (6y) (a) of the statutes is amended to read:
  - 18 49.45 **(6y)** (a) Notwithstanding sub. (3) (e), from the appropriations
  - (19  $\underline{appropriation\ accounts}\ under\ s.\ 20.435\ (4)\ (b), \underline{(gp)}, (o), \underline{(and\ (w)}, the\ department\ shall$
  - distribute funding in each fiscal year to provide supplemental payment to hospitals 20
  - 21 that enter into a contract under s. 49.02 (2) to provide health care services funded
  - 22 by a relief block grant, as determined by the department, for hospital services that
  - 23 are not in excess of the hospitals' customary charges for the services, as limited under
  - 24 42 USC 1396b (i) (3). If no relief block grant is awarded under this chapter or if the
  - 25 allocation of funds to such hospitals would exceed any limitation under 42 USC

1 1396b (i) (3), the department may distribute funds to hospitals that have not entered into a contract under s. 49.02 (2). SECTION 15. 49.45 (6y) (am) of the statutes is amended to read: 4 49.45 **(6y)** (am) Notwithstanding sub. (3) (e), from the appropriations (5  $\underline{appropriation\ accounts}\ under\ s.\ 20.435\ (4)\ (b), (h), \underline{(gp)}, (o), \underline{(and\ (w),\ the\ department}$ shall distribute funding in each fiscal year to provide supplemental payments to 6 hospitals that enter into contracts under s. 49.02 (2) with a county having a 7 population of 500,000 or more to provide health care services funded by a relief block 8 9 grant, as determined by the department, for hospital services that are not in excess of the hospitals' customary charges for the services, as limited under 42 USC 1396b 10 (i) (3). INSERT7-11 SECTION 16. 49.45 (6z) (a) (intro.) of the statutes is amended to read: 13 49.45 (6z) (a) (intro.) Notwithstanding sub. (3) (e), from the appropriations appropriation accounts under s. 20.435 (4) (b), (gp), (o), and (w), the department shall 14 distribute funding in each fiscal year to supplement payment for services to hospitals 15 16 that enter into a contract under s. 49.02 (2) to provide health care services funded 17 by a relief block grant under this chapter, if the department determines that the 18 hospitals serve a disproportionate number of low-income patients with special needs. If no medical relief block grant under this chapter is awarded or if the 19 20 allocation of funds to such hospitals would exceed any limitation under 42 USC 21 1396b (i) (3), the department may distribute funds to hospitals that have not entered into a contract under s. 49.02 (2). The department may not distribute funds under 22 this subsection to the extent that the distribution would do any of the following: 7-23

**SECTION 17.** 49.45 (8) (b) of the statutes is amended to read:

SECTION 17

	49.45 (8) (b) Reimbursement under s. 20.435 (4) (b), (gp), (o), and (w) for home
2	health services provided by a certified home health agency or independent nurse
3	shall be made at the home health agency's or nurse's usual and customary fee per
4	patient care visit, subject to a maximum allowable fee per patient care visit that is
5	established under par. (c).

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SECTION 18. 49.45 (24m) (intro.) of the statutes is amended to read:

49.45 (24m) Home Health care and personal care pilot program. (intro.)

From the appropriations appropriation accounts under s. 20.435 (4) (b), (gp), (o), and

(w), in order to test the feasibility of instituting a system of neimbursement for

providers of home health care and personal care services for medical assistance 10

recipients that is based on competitive bidding, the department shall:

INSERT 8-11 **SECTION 19.** 49.472 (6) (a) of the statutes is amended to read:

49.472 (6) (a) Notwith standing sub. (4) (a) 3., from the appropriation account under s. 20.435 (4) (b), (gp), or (w), the department shall, on the part of an individual who is eligible for medical assistance under sub. (3), pay premiums for or purchase individual coverage offered by the individual's employer if the department determines that paying the premiums for or purchasing the coverage will not be more

costly than providing medical assistance.

INSERT 8-18 Section 20. 49.472 (6) (b) of the statutes is amended to read: <del>19</del>

20 49.472 (6) (b) If federal financial participation is available, from the

21appropriation account under s. 20.435 (4) (b), (gp), or (w), the department may pay **22** 

medicare Part A and Part B premiums for individuals who are eligible for medicare

23 and for medical assistance under sub. (3). INSER

**SECTION 21.** 49.473 (5) of the statutes is amended to read:

49.473 (5) The department shall audit and pay, from the appropriation accounts under s. 20.435 (4) (b) (gp), and (o), allowable charges to a provider who is certified under s. 49.45 (2) (a) 11. for medical assistance on behalf of a woman who meets the requirements under sub. (2) for all benefits and services specified under

5 s. 49.46 (2). SECTION 22. 146.93 of the statutes is repealed.

(END)

D-NOVE

D-NOTE LRB-1253) To Robert Blame: Duis draft reconciles LRB-0194/8, LRB-0194, LRB-1755a LRB-1755/PZ, and LRB-/1760/1.) continue to appear in the compiled biel. DXK It adds the treatment of LRB-1755 to 55. 46.27 (9)(a) and (10)(a) 1., 46.283 (5) 46.284 (5)(a) 49.45 (2) (a) 17., (6m) (ag) (intro.), (6v) (b), (6x) (a), (6y) (a) and (am), (6z)(a) (intro.), (8) (b), or (24m) (intro), 49.472 (6) (a) and (b), and 49.473 (5) It removes the treatment [ s. 46. 275 (5) (a) and (c) and adds it to LRB-0194 and removes the treatment of 5.49.45 (5m) (am) and adds it to LRB-1253

# STATE OF WISCONSIN – LEGISLATIVE REFERENCE BUREAU – LEGAL SECTION (608–266–3561)

INSERT 3-9
* * * This is reconciled 3. 46 27 (9)(a).
This section has been affected by drafts
$oldsymbol{V}$
with the following LRB#s: LRB- 1755/P2 and
LRB-1760/1.

# STATE OF WISCONSIN – LEGISLATIVE REFERENCE BUREAU – LEGAL SECTION (608–266–3561)

INSERT 3-16
* * * This is reconciled 3. 46.27 (10)(a)1.
This section has been affected by drayto
LRB
This section has been affected by drafts  LRB  with the following LRB#s: 1-1755/P2 and
LRB-1760/1.

# STATE OF WISCONSIN – LEGISLATIVE REFERENCE BUREAU – LEGAL SECTION (608–266-3561)

INSERT 4-12	
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V	
* * * This is reconciled 3. 46,283(5),	
This section has been affected by drayts	
LRB V	
This section has been affected by drafts LRB 1  with the following LRB#s: 1-1755/P2 and	
LRB-1760/1.	
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# STATE OF WISCONSIN - LEGISLATIVE REFERENCE BUREAU - LEGAL SECTION (608-266-3561)

INSERT 4-20
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* * * This is reconciled 3. 46.284 (5) (a).
This section has been affected by drafts URB  with the following LRB#s: 1-1755/P2 and
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with the following LRB#s: 1-1755/P2 and
U
LRB-1760/1

# STATE OF WISCONSIN – LEGISLATIVE REFERENCE BUREAU – LEGAL SECTION (608–266–3561)

INSERT 5-8
* * * This is reconciled 3. 49.45 (2)(a) 17}.
This section has been affected by drafts
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This section has been affected by drafts UB 1  with the following LRB#s: 1-1755 [P2 and
LRB-1760/1.

# STATE OF WISCONSIN - LEGISLATIVE REFERENCE BUREAU - LEGAL SECTION (608-266-3561)

INSERT 6-2
* * * This is reconciled 3. 49.45 (6m) (ag) (int
This section has been affected by drafts LRB 1  with the following LRB#s: 1-1755/P2 and
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mun the following LICID#S: 1-1755/P2 and
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INSERT 6-9
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* * * This is reconciled 3. 49.45 (6v)(b).
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with the following LRB#s: 1-1755/P2 and
LRB-1760/1.
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* * * This is reconciled 3.49.45 (6x) (a).
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LRB-1760/1.
LRB-1760/1.
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1NSERT 7-2
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* * * This is reconciled 3. 49.45(6y)(a).
This section has been affected by drafts
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with the following LRB#s: h-1755/Paoud
LRB-1760/1.

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* * * This is reconciled 3.49.45 (Gy) (am).
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LRB-1760/1.
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* * * This is reconciled 8.49.45 (6z)(a) (int
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This section has been affected by drafts
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with the following LRB#s: 1-1755/P2 and
LRB-1760/1.
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INSERT 8-5
4 1
* * * This is reconciled 3.49.45 (8)(b).
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with the following LRB#s 1755 (P2 and
LRB-1760/1.

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(intro.)
* * * This is reconciled 3. 49.45 (24 m).
* * * * 1 100 to reconciled 3. 49.45 (24 m),
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This section has been affected by drafts LB 1  with the following LRB#s: 1755/P2 and
LRB-1760/1.
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1NSERT 8-18
* * * This is reconciled 3. 49.472 (6)(a),
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This section has been affected by drafts  With the following LRB#s: \[ -1755 \ P2 and \]
LB-1760/1.

INSERT 8-23
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* * * This is reconciled 3.49.472 (6)(b)
(C)(B)
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This section has been affected by drafts utt the following LRB#s: [-1755/PZ and
LRB -1760/1.

INSERT 9-5
* * * This is reconciled 3. 49.473(5),
This section has been affected by drafts LRB  with the following LRB#s: \-1755/P2 and
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100 focusion 4013#8: 1-1155 172 and
L/2B-1760/1.

## DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRB-1760/2dn DAK:jld:cph

February 6, 2003

#### To Robert Blaine:

This draft reconciles LRB-0194/8, LRB-1253/7, LRB-1755/P2, and LRB-1760/1. It adds the treatment of LRB-1755 to ss. 46.27 (9) (a) and (10) (a) 1., 46.283 (5), 46.284 (5) (a), 49.45 (2) (a) 17., (6m) (ag) (intro.), (6v) (b), (6x) (a), (6y) (a) and (am), (6z) (a) (intro.), (8) (b), and (24m) (intro.), 49.472 (6) (a) and (b), and 49.473 (5). It removes the treatment of s. 46.275 (5) (a) and (c) and adds it to LRB-0194 and removes the treatment of s. 49.45 (5m) (am) and adds it to LRB-1253. LRB-0194, LRB-1253, LRB-1755, and LRB-1760 should all continue to appear in the compiled bill.

Debora A. Kennedy Managing Attorney Phone: (608) 266-0137

E-mail: debora.kennedy@legis.state.wi.us

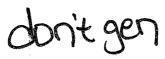


LRB–1760/**¥** 3 DAK:jld&kjf:œ<del>ph</del>

D-NOTE

DOA:.....Blaine – BB0427, Redirect hospital assessment to MA; eliminate Wisconcare and grad med education to MA providers

FOR 2003-05 BUDGET -- NOT READY FOR INTRODUCTION



AN ACT ...; relating to: the budget.

## Analysis by the Legislative Reference Bureau HEALTH AND HUMAN SERVICES

#### MEDICAL ASSISTANCE

Under current law, DHFS annually assesses hospitals \$1,500,000, in proportion to each hospital's gross private—pay patient revenues during the hospital's most recently concluded fiscal year. Fifty percent of moneys from the assessments is used to maintain a program, commonly known as "Wisconcare" to provide primary health care services to unemployed persons or persons employed less than 25 hours per week who have no health care coverage, are unable to obtain health care coverage, and have a family income that does not exceed 150% of the federal poverty line. The remaining 50% of assessment moneys is used to fund graduate medical education for the training of Medical Assistance (MA) program providers.

This bill eliminates the Wisconcare program and eliminates the funding of graduate medical education for the training of MA providers.

For further information see the **state and local** fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

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SECTION 1

**SECTION 1.** 20.435 (4) (gp) of the statutes is amended to read:

20.435 (4) (gp) Health care and graduate medical education; aid Medical assistance; hospital assessments. All moneys received under s. 146.99, 50% to be used in each fiscal year for purchase of primary health care services under s. 146.93 and 50% to be used in each fiscal year for graduate medical education payments for training of providers under the medical assistance program under ss. 49.45 to 49.499 provide the state share of Medical Assistance program benefits administered under s. 49.45, to provide Medical Assistance program benefits administered under s. 49.45 that are not also provided under par. (o), to fund the pilot project under s. 46.27 (9) and (10), to provide/the facility payments under 1999 Wisconsin Act 9, section 9123 (9m), to fund services provided by resource centers under s. 46.283, and for services under the family care benefit under s. 46.284 (5). Notwithstanding s. 20.002 (1), the department may transfer from this appropriation account to the appropriation account under sub. (7) (kb) funds in the amount of and for the purposes specified in s. 46.485. Notwithstanding ss. 20.001 (3) (b) and 20.002 (1), the department may credit or deposit into this appropriation account and may transfer between fiscal years funds that it transfers from the appropriation account under sub. (7) (kb) for the purposes specified in s. 46.485 (3r). Notwithstanding s. 20.002 (1), the department may transfer from this appropriation account to the appropriation account under sub. (7) (bd) funds in the amount and for the purposes specified in s. 49.45 (6v).

\*\*\*\*Note: This Section involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

**SECTION 2.** 46.27 (9) (a) of the statutes is amended to read:

46.27 (9) (a) The department may select up to 5 counties that volunteer to participate in a pilot project under which they will receive certain funds allocated for long-term care. The department shall allocate a level of funds to these counties equal to the amount that would otherwise be paid under s. 20.435 (4) (b), (gp), (r), or (w) to nursing homes for providing care because of increased utilization of nursing home services, as estimated by the department. In estimating these levels, the department shall exclude any increased utilization of services provided by state centers for the developmentally disabled. The department shall calculate these amounts on a calendar year basis under sub. (10).

\*\*\*\*Note: This is reconciled s. 46.27(9)(a). This Section has been affected by drafts with the following LRB numbers: LRB-1755/P2 and LRB-1760/1.

**SECTION 3.** 46.27 (10) (a) 1. of the statutes is amended to read:

46.27 (10) (a) 1. The department shall determine for each county participating in the pilot project under sub. (9) a funding level of state medical assistance expenditures to be received by the county. This level shall equal the amount that the department determines would otherwise be paid under s. 20.435 (4) (b), (gp), (r), or (w) because of increased utilization of nursing home services, as estimated by the department.

\*\*\*\*Note: This is reconciled s. 46.27 (10) (a) 1. This Section has been affected by drafts with the following LRB numbers: LRB-1755/P2 and LRB-1760/1.

**Section 4.** 46.283 (5) of the statutes is amended to read:

46.283 (5) FUNDING. From the appropriation accounts under s. 20.435 (4) (b), (bm), (gp), (pa), (r), and (w) and (7) (b), (bd), and (md), the department may contract with organizations that meet standards under sub. (3) for performance of the duties under sub. (4) and shall distribute funds for services provided by resource centers.

\*\*\*\*NOTE: This is reconciled s. 46.283 (5). This Section has been affected by drafts with the following LRB numbers: LRB-1755/P2 and LRB-1760/1.

**SECTION 5.** 46.284 (5) (a) of the statutes is amended to read:

46.284 (5) (a) From the appropriation accounts under s. 20.435 (4) (b), (g), (gp), (im), (o), (r), and (w) and (7) (b) and (bd), the department shall provide funding on a capitated payment basis for the provision of services under this section. Notwithstanding s. 46.036 (3) and (5m), a care management organization that is under contract with the department may expend the funds, consistent with this section, including providing payment, on a capitated basis, to providers of services under the family care benefit.

\*\*\*\*Note: This is reconciled s. 46.284 (5) (a). This Section has been affected by drafts with the following LRB numbers: LRB–1755/P2 and LRB–1760/1.

**SECTION 6.** 46.485 (2g) (intro.) of the statutes is amended to read:

46.485 (2g) (intro.) From the appropriation accounts under s. 20.435 (4) (b) and (gp), the department may in each fiscal year transfer funds to the appropriation under s. 20.435 (7) (kb) for distribution under this section and from the appropriation under s. 20.435 (7) (mb) the department may not distribute more than \$1,330,500 in each fiscal year to applying counties in this state that meet all of the following requirements, as determined by the department:

SECTION 7. 49.45 (2) (a) 17. of the statutes is amended to read:

49.45 (2) (a) 17. Notify the governor, the joint committee on legislative organization, the joint committee on finance and appropriate standing committees, as determined by the presiding officer of each house, if the appropriation accounts under s. 20.435 (4) (b) is , (gp), and (r) are insufficient to provide the state share of medical assistance.

\*\*\*\*NOTE: This is reconciled s. 49.45 (2) (a) 17. This Section has been affected by drafts with the following LRB numbers: LRB-1755/P2 and LRB-1760/1.

SECTION 8. 49.45 (6m) (ag) (intro.) of the statutes is amended to read:

49.45 (6m) (ag) (intro.) Payment for care provided in a facility under this
subsection made under s. 20.435 (4) (b), (gp), (pa), (o), (r), (w), or (wm) shall, except
as provided in pars. (bg), (bm), and (br), be determined according to a prospective
payment system updated annually by the department. The payment system shall
implement standards that are necessary and proper for providing patient care and
that meet quality and safety standards established under subch. II of ch. 50 and ch.
150. The payment system shall reflect all of the following:

\*\*\*\*Note: This is reconciled s. 49.45 (6m) (ag) (intro.). This Section has been affected by drafts with the following LRB numbers: LRB-1755/P2 and LRB-1760/1.

**SECTION 9.** 49.45 (6v) (b) of the statutes is amended to read:

49.45 (6v) (b) The department shall, each year, submit to the joint committee on finance a report for the previous fiscal year, except for the 1997–98 fiscal year, that provides information on the utilization of beds by recipients of medical assistance in facilities and a discussion and detailed projection of the likely balances, expenditures, encumbrances and carry over of currently appropriated amounts in the appropriation accounts under s. 20.435 (4) (b) and, (gp), (o), and (r).

\*\*\*\*NOTE: This is reconciled s. 49.45 (6v) (b). This Section has been affected by drafts with the following LRB numbers: LRB-1755/P2 and LRB-1760/1.

**SECTION 10.** 49.45 (6x) (a) of the statutes is amended to read:

49.45 (**6x**) (a) Notwithstanding sub. (3) (e), from the appropriations appropriation accounts under s. 20.435 (4) (b), (gp), (o), (r), and (w), the department shall distribute not more than \$4,748,000 in each fiscal year, to provide funds to an essential access city hospital, except that the department may not allocate funds to an essential access city hospital to the extent that the allocation would exceed any limitation under 42 USC 1396b (i) (3).

\*\*\*\*Note: This is reconciled s. 49.45 (6x) (a). This Section has been affected by drafts with the following LRB numbers: LRB-1755/P2 and LRB-1760/1.

**SECTION 11.** 49.45 (6y) (a) of the statutes is amended to read:

49.45 (6y) (a) Notwithstanding sub. (3) (e), from the appropriations appropriation accounts under s. 20.435 (4) (b), (gp), (o), (r), and (w), the department shall distribute funding in each fiscal year to provide supplemental payment to hospitals that enter into a contract under s. 49.02 (2) to provide health care services funded by a relief block grant, as determined by the department, for hospital services that are not in excess of the hospitals' customary charges for the services, as limited under 42 USC 1396b (i) (3). If no relief block grant is awarded under this chapter or if the allocation of funds to such hospitals would exceed any limitation under 42 USC 1396b (i) (3), the department may distribute funds to hospitals that have not entered into a contract under s. 49.02 (2).

\*\*\*\*Note: This is reconciled s. 49.45 (6y) (a). This Section has been affected by drafts with the following LRB numbers: LRB-1755/P2 and LRB-1760/1.

**SECTION 12.** 49.45 (6y) (am) of the statutes is amended to read:

49.45 (6y) (am) Notwithstanding sub. (3) (e), from the appropriations appropriation accounts under s. 20.435 (4) (b), (h), (gp), (o), (r), and (w), the department shall distribute funding in each fiscal year to provide supplemental payments to hospitals that enter into contracts under s. 49.02 (2) with a county having a population of 500,000 or more to provide health care services funded by a relief block grant, as determined by the department, for hospital services that are not in excess of the hospitals' customary charges for the services, as limited under 42 USC 1396b (i) (3).

\*\*\*\*Note: This is reconciled s. 49.45 (6y) (am). This Section has been affected by drafts with the following LRB numbers: LRB-1755/P2 and LRB-1760/1.

SECTION 13. 49.45 (6z) (a) (intro.) of the statutes is amended to read:

49.45 (6z) (a) (intro.) Notwithstanding sub. (3) (e), from the appropriations appropriation accounts under s. 20.435 (4) (b), (gp), (o), (r), and (w), the department shall distribute funding in each fiscal year to supplement payment for services to hospitals that enter into a contract under s. 49.02 (2) to provide health care services funded by a relief block grant under this chapter, if the department determines that the hospitals serve a disproportionate number of low–income patients with special needs. If no medical relief block grant under this chapter is awarded or if the allocation of funds to such hospitals would exceed any limitation under 42 USC 1396b (i) (3), the department may distribute funds to hospitals that have not entered into a contract under s. 49.02 (2). The department may not distribute funds under this subsection to the extent that the distribution would do any of the following:

\*\*\*\*Note: This is reconciled s. 49.45 (6z) (a) (intro.). This Section has been affected by drafts with the following LRB numbers: LRB-1755/P2 and LRB-1760/1.

**SECTION 14.** 49.45 (8) (b) of the statutes is amended to read:

49.45 (8) (b) Reimbursement under s. 20.435 (4) (b), (gp), (o), (r), and (w) for home health services provided by a certified home health agency or independent nurse shall be made at the home health agency's or nurse's usual and customary fee per patient care visit, subject to a maximum allowable fee per patient care visit that is established under par. (c).

\*\*\*\*Note: This is reconciled s. 49.45 (8) (b). This Section has been affected by drafts with the following LRB numbers: LRB-1755/P2 and LRB-1760/1.

**Section 15.** 49.45 (24m) (intro.) of the statutes is amended to read:

49.45 (24m) HOME HEALTH CARE AND PERSONAL CARE PILOT PROGRAM. (intro.) From the appropriations appropriation accounts under s. 20.435 (4) (b), (gp), (o), (r), and (w), in order to test the feasibility of instituting a system of reimbursement for

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providers of home health care and personal care services for medical assistance recipients that is based on competitive bidding, the department shall:

\*\*\*\*NOTE: This is reconciled s. 49.45 (24m) (intro.). This Section has been affected by drafts with the following LRB numbers: LRB-1755/P2 and LRB-1760/1.

**SECTION 16.** 49.472 (6) (a) of the statutes is amended to read:

49.472 (6) (a) Notwithstanding sub. (4) (a) 3., from the appropriation account under s. 20.435 (4) (b), (gp), (r), or (w), the department shall, on the part of an individual who is eligible for medical assistance under sub. (3), pay premiums for or purchase individual coverage offered by the individual's employer if the department determines that paying the premiums for or purchasing the coverage will not be more costly than providing medical assistance.

\*\*\*\*Note: This is reconciled s. 49.472 (6) (a). This Section has been affected by drafts with the following LRB numbers: LRB-1755/P2 and LRB-1760/1.

**SECTION 17.** 49.472 (6) (b) of the statutes is amended to read:

49.472 (6) (b) If federal financial participation is available, from the appropriation account under s. 20.435 (4) (b), (gp), (r), or (w), the department may pay medicare Part A and Part B premiums for individuals who are eligible for medicare and for medical assistance under sub. (3).

\*\*\*\*Note: This is reconciled s. 49.472 (6) (b). This Section has been affected by drafts with the following LRB numbers: LRB-1755/P2 and LRB-1760/1.

**SECTION 18.** 49.473 (5) of the statutes is amended to read:

49.473 (5) The department shall audit and pay, from the appropriation accounts under s. 20.435 (4) (b), (gp), and (o), and (r), allowable charges to a provider who is certified under s. 49.45 (2) (a) 11. for medical assistance on behalf of a woman who meets the requirements under sub. (2) for all benefits and services specified under s. 49.46 (2).

\*\*\*\*Note: This is reconciled s. 49.473 (5). This Section has been affected by drafts with the following LRB numbers: LRB-1755/P2 and LRB-1760/1.

1 Section 19. 146.93 of the statutes is repealed.

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(END)

D-NOTE

# DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRB–1760/3dn DAK:jld&kjf:cph

#### To Robert Blaine:

This redraft adds the words "a portion of" in three places in the language amending s. 20.435 (4) (gp), stats., to clarify that this appropriation does not provide *all* of the funding for the state share of MA program benefits administered under s. 49.45, stats., and does not provide all of the funding for facility payments. This same change was made to s. 20.435 (4) (b), stats., under LEPA1755 (drafted by Pam Kahler).

Debora A. Kennedy Managing Attorney Phone: (608) 266–0137

E-mail: debora.kennedy@legis.state.wi.us

# DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRB-1760/3dn DAK:jld&kjf:rs

#### To Robert Blaine:

This redraft adds the words "a portion of" in three places in the language amending s. 20.435 (4) (gp), stats., to clarify that this appropriation does not provide *all* of the funding for the state share of MA program benefits administered under s. 49.45, stats., and does not provide all of the funding for facility payments. This same change was made to s. 20.435 (4) (b), stats., under 2003 LRB–1755 (drafted by Pam Kahler).

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#### State of Misconsin 2003 - 2004 LEGISLATURE

LRB-1760/3 DAK:jld&kjf:rs

DOA:.....Blaine – BB0427, Redirect hospital assessment to MA; eliminate Wisconcare and grad med education to MA providers

FOR 2003-05 BUDGET — NOT READY FOR INTRODUCTION

AN ACT ...; relating to: the budget.

## Analysis by the Legislative Reference Bureau HEALTH AND HUMAN SERVICES

#### MEDICAL ASSISTANCE

Under current law, DHFS annually assesses hospitals \$1,500,000, in proportion to each hospital's gross private—pay patient revenues during the hospital's most recently concluded fiscal year. Fifty percent of moneys from the assessments is used to maintain a program, commonly known as "Wisconcare" to provide primary health care services to unemployed persons or persons employed less than 25 hours per week who have no health care coverage, are unable to obtain health care coverage, and have a family income that does not exceed 150% of the federal poverty line. The remaining 50% of assessment moneys is used to fund graduate medical education for the training of Medical Assistance (MA) program providers.

This bill eliminates the Wisconcare program and eliminates the funding of graduate medical education for the training of MA providers.

For further information see the **state** and **local** fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

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**SECTION 1.** 20.435 (4) (gp) of the statutes is amended to read:

20.435 (4) (gp) Health care and graduate medical education; aid Medical assistance; hospital assessments. All moneys received under s. 146.99, 50% to be used in each fiscal year for purchase of primary health care services under s. 146.93 and 50% to be used in each fiscal year for graduate medical education payments for training of providers under the medical assistance program under ss. 49.45 to 49.499 provide a portion of the state share of Medical Assistance program benefits administered under s. 49.45, to provide a portion of Medical Assistance program benefits administered under s. 49.45 that are not also provided under par. (o), to fund the pilot project under s. 46.27 (9) and (10), to provide a portion of the facility payments under 1999 Wisconsin Act 9, section 9123 (9m), to fund services provided by resource centers under s. 46.283, and for services under the family care benefit under s. 46.284 (5). Notwithstanding s. 20.002 (1), the department may transfer from this appropriation account to the appropriation account under sub. (7) (kb) funds in the amount of and for the purposes specified in s. 46.485. Notwithstanding ss. 20.001 (3) (b) and 20.002 (1), the department may credit or deposit into this appropriation account and may transfer between fiscal years funds that it transfers from the appropriation account under sub. (7) (kb) for the purposes specified in s. 46.485 (3r). Notwithstanding s. 20.002 (1), the department may transfer from this appropriation account to the appropriation account under sub. (7) (bd) funds in the amount and for the purposes specified in s. 49.45 (6v).

\*\*\*\*Note: This Section involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

**SECTION 2.** 46.27 (9) (a) of the statutes is amended to read:

46.27 (9) (a) The department may select up to 5 counties that volunteer to participate in a pilot project under which they will receive certain funds allocated for long-term care. The department shall allocate a level of funds to these counties equal to the amount that would otherwise be paid under s. 20.435 (4) (b), (gp), (r), or (w) to nursing homes for providing care because of increased utilization of nursing home services, as estimated by the department. In estimating these levels, the department shall exclude any increased utilization of services provided by state centers for the developmentally disabled. The department shall calculate these amounts on a calendar year basis under sub. (10).

\*\*\*\*Note: This is reconciled s. 46.27 (9) (a). This Section has been affected by drafts with the following LRB numbers: LRB-1755/P2 and LRB-1760/1.

**Section 3.** 46.27 (10) (a) 1. of the statutes is amended to read:

46.27 (10) (a) 1. The department shall determine for each county participating in the pilot project under sub. (9) a funding level of state medical assistance expenditures to be received by the county. This level shall equal the amount that the department determines would otherwise be paid under s. 20.435 (4) (b), (gp), (r), or (w) because of increased utilization of nursing home services, as estimated by the department.

\*\*\*\*NOTE: This is reconciled s. 46.27 (10) (a) 1. This Section has been affected by drafts with the following LRB numbers: LRB-1755/P2 and LRB-1760/1.

**SECTION 4.** 46.283 (5) of the statutes is amended to read:

46.283 (5) FUNDING. From the appropriation accounts under s. 20.435 (4) (b), (bm), (gp), (pa), (r), and (w) and (7) (b), (bd), and (md), the department may contract with organizations that meet standards under sub. (3) for performance of the duties under sub. (4) and shall distribute funds for services provided by resource centers.

\*\*\*\*Note: This is reconciled s. 46.283 (5). This Section has been affected by drafts with the following LRB numbers: LRB-1755/P2 and LRB-1760/1.

**SECTION 5.** 46.284 (5) (a) of the statutes is amended to read:

46.284 (5) (a) From the appropriation accounts under s. 20.435 (4) (b), (g), (gp), (im), (o), (r), and (w) and (7) (b) and (bd), the department shall provide funding on a capitated payment basis for the provision of services under this section. Notwithstanding s. 46.036 (3) and (5m), a care management organization that is under contract with the department may expend the funds, consistent with this section, including providing payment, on a capitated basis, to providers of services under the family care benefit.

\*\*\*\*Note: This is reconciled s. 46.284 (5) (a). This Section has been affected by drafts with the following LRB numbers: LRB-1755/P2 and LRB-1760/1.

**SECTION 6.** 46.485 (2g) (intro.) of the statutes is amended to read:

46.485 (2g) (intro.) From the appropriation accounts under s. 20.435 (4) (b) and (gp), the department may in each fiscal year transfer funds to the appropriation under s. 20.435 (7) (kb) for distribution under this section and from the appropriation under s. 20.435 (7) (mb) the department may not distribute more than \$1,330,500 in each fiscal year to applying counties in this state that meet all of the following requirements, as determined by the department:

SECTION 7. 49.45 (2) (a) 17. of the statutes is amended to read:

49.45 (2) (a) 17. Notify the governor, the joint committee on legislative organization, the joint committee on finance and appropriate standing committees, as determined by the presiding officer of each house, if the appropriation accounts under s. 20.435 (4) (b) is , (gp), and (r) are insufficient to provide the state share of medical assistance.

\*\*\*\*Note: This is reconciled s. 49.45 (2) (a) 17. This Section has been affected by drafts with the following LRB numbers: LRB-1755/P2 and LRB-1760/1.

Section 8. 49.45 (6m) (ag) (intro.) of the statutes is amended to read:

49.45 (6m) (ag) (intro.) Payment for care provided in a facility under this
subsection made under s. $20.435(4)(b)$ , $(gp)$ , $(pa)$ , $(o)$ , $(r)$ , $(w)$ , or $(wm)$ shall, except
as provided in pars. (bg), (bm), and (br), be determined according to a prospective
payment system updated annually by the department. The payment system shall
implement standards that are necessary and proper for providing patient care and
that meet quality and safety standards established under subch. II of ch. 50 and ch.
150. The payment system shall reflect all of the following:

\*\*\*\*Note: This is reconciled s. 49.45 (6m) (ag) (intro.). This Section has been affected by drafts with the following LRB numbers: LRB-1755/P2 and LRB-1760/1.

**SECTION 9.** 49.45 (6v) (b) of the statutes is amended to read:

49.45 (6v) (b) The department shall, each year, submit to the joint committee on finance a report for the previous fiscal year, except for the 1997–98 fiscal year, that provides information on the utilization of beds by recipients of medical assistance in facilities and a discussion and detailed projection of the likely balances, expenditures, encumbrances and carry over of currently appropriated amounts in the appropriation accounts under s. 20.435 (4) (b) and, (gp), (o), and (r).

\*\*\*\*Note: This is reconciled s. 49.45 (6v) (b). This Section has been affected by drafts with the following LRB numbers: LRB-1755/P2 and LRB-1760/1.

**Section 10.** 49.45 (6x) (a) of the statutes is amended to read:

49.45 **(6x)** (a) Notwithstanding sub. (3) (e), from the appropriations appropriation accounts under s. 20.435 (4) (b), (gp), (o), (r), and (w), the department shall distribute not more than \$4,748,000 in each fiscal year, to provide funds to an essential access city hospital, except that the department may not allocate funds to an essential access city hospital to the extent that the allocation would exceed any limitation under 42 USC 1396b (i) (3).

\*\*\*\*Note: This is reconciled s. 49.45 (6x) (a). This Section has been affected by drafts with the following LRB numbers: LRB-1755/P2 and LRB-1760/1.

**SECTION 11.** 49.45 (6y) (a) of the statutes is amended to read:

49.45 (6y) (a) Notwithstanding sub. (3) (e), from the appropriations appropriation accounts under s. 20.435 (4) (b), (gp), (o), (r), and (w), the department shall distribute funding in each fiscal year to provide supplemental payment to hospitals that enter into a contract under s. 49.02 (2) to provide health care services funded by a relief block grant, as determined by the department, for hospital services that are not in excess of the hospitals' customary charges for the services, as limited under 42 USC 1396b (i) (3). If no relief block grant is awarded under this chapter or if the allocation of funds to such hospitals would exceed any limitation under 42 USC 1396b (i) (3), the department may distribute funds to hospitals that have not entered into a contract under s. 49.02 (2).

\*\*\*\*Note: This is reconciled s. 49.45 (6y) (a). This Section has been affected by drafts with the following LRB numbers: LRB-1755/P2 and LRB-1760/1.

**SECTION 12.** 49.45 (6y) (am) of the statutes is amended to read:

49.45 (6y) (am) Notwithstanding sub. (3) (e), from the appropriations appropriation accounts under s. 20.435 (4) (b), (h), (gp), (o), (r), and (w), the department shall distribute funding in each fiscal year to provide supplemental payments to hospitals that enter into contracts under s. 49.02 (2) with a county having a population of 500,000 or more to provide health care services funded by a relief block grant, as determined by the department, for hospital services that are not in excess of the hospitals' customary charges for the services, as limited under 42 USC 1396b (i) (3).

\*\*\*\*Note: This is reconciled s. 49.45 (6y) (am). This Section has been affected by drafts with the following LRB numbers: LRB-1755/P2 and LRB-1760/1.

SECTION 13. 49.45 (6z) (a) (intro.) of the statutes is amended to read:

49.45 (6z) (a) (intro.) Notwithstanding sub. (3) (e), from the appropriations appropriation accounts under s. 20.435 (4) (b), (gp), (o), (r), and (w), the department shall distribute funding in each fiscal year to supplement payment for services to hospitals that enter into a contract under s. 49.02 (2) to provide health care services funded by a relief block grant under this chapter, if the department determines that the hospitals serve a disproportionate number of low–income patients with special needs. If no medical relief block grant under this chapter is awarded or if the allocation of funds to such hospitals would exceed any limitation under 42 USC 1396b (i) (3), the department may distribute funds to hospitals that have not entered into a contract under s. 49.02 (2). The department may not distribute funds under this subsection to the extent that the distribution would do any of the following:

\*\*\*\*Note: This is reconciled s. 49.45 (6z) (a) (intro.). This Section has been affected by drafts with the following LRB numbers: LRB-1755/P2 and LRB-1760/1.

**SECTION 14.** 49.45 (8) (b) of the statutes is amended to read:

49.45 (8) (b) Reimbursement under s. 20.435 (4) (b), (gp), (o), (r), and (w) for home health services provided by a certified home health agency or independent nurse shall be made at the home health agency's or nurse's usual and customary fee per patient care visit, subject to a maximum allowable fee per patient care visit that is established under par. (c).

\*\*\*\*Note: This is reconciled s. 49.45 (8) (b). This Section has been affected by drafts with the following LRB numbers: LRB-1755/P2 and LRB-1760/1.

**SECTION 15.** 49.45 (24m) (intro.) of the statutes is amended to read:

49.45 (24m) HOME HEALTH CARE AND PERSONAL CARE PILOT PROGRAM. (intro.) From the appropriations appropriation accounts under s. 20.435 (4) (b), (gp), (o), (r), and (w), in order to test the feasibility of instituting a system of reimbursement for

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1	providers of home health care and personal care services for medical assistance
2	recipients that is based on competitive bidding, the department shall:

\*\*\*\*Note: This is reconciled s. 49.45 (24m) (intro.). This Section has been affected by drafts with the following LRB numbers: LRB-1755/P2 and LRB-1760/1.

**SECTION 16.** 49.472 (6) (a) of the statutes is amended to read:

49.472 (6) (a) Notwithstanding sub. (4) (a) 3., from the appropriation account under s. 20.435 (4) (b), (gp), (r), or (w), the department shall, on the part of an individual who is eligible for medical assistance under sub. (3), pay premiums for or purchase individual coverage offered by the individual's employer if the department determines that paying the premiums for or purchasing the coverage will not be more costly than providing medical assistance.

\*\*\*\*Note: This is reconciled s. 49.472 (6) (a). This Section has been affected by drafts with the following LRB numbers: LRB-1755/P2 and LRB-1760/1.

**SECTION 17.** 49.472 (6) (b) of the statutes is amended to read:

49.472 (6) (b) If federal financial participation is available, from the appropriation account under s. 20.435 (4) (b), (gp), (r), or (w), the department may pay medicare Part A and Part B premiums for individuals who are eligible for medicare and for medical assistance under sub. (3).

\*\*\*\*Note: This is reconciled s. 49.472 (6) (b). This Section has been affected by drafts with the following LRB numbers: LRB-1755/P2 and LRB-1760/1.

**Section 18.** 49.473 (5) of the statutes is amended to read:

49.473 (5) The department shall audit and pay, from the appropriation accounts under s. 20.435 (4) (b), (gp), and (o), and (r), allowable charges to a provider who is certified under s. 49.45 (2) (a) 11. for medical assistance on behalf of a woman who meets the requirements under sub. (2) for all benefits and services specified under s. 49.46 (2).

\*\*\*\*Note: This is reconciled s. 49.473 (5). This Section has been affected by drafts with the following LRB numbers: LRB-1755/P2 and LRB-1760/1.

(END)

1 Section 19. 146.93 of the statutes is repealed.

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